

LONG RANGE CAPITAL PLAN

November 19, 2012



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Section 1: Introduction and Executive Summary

Introduction

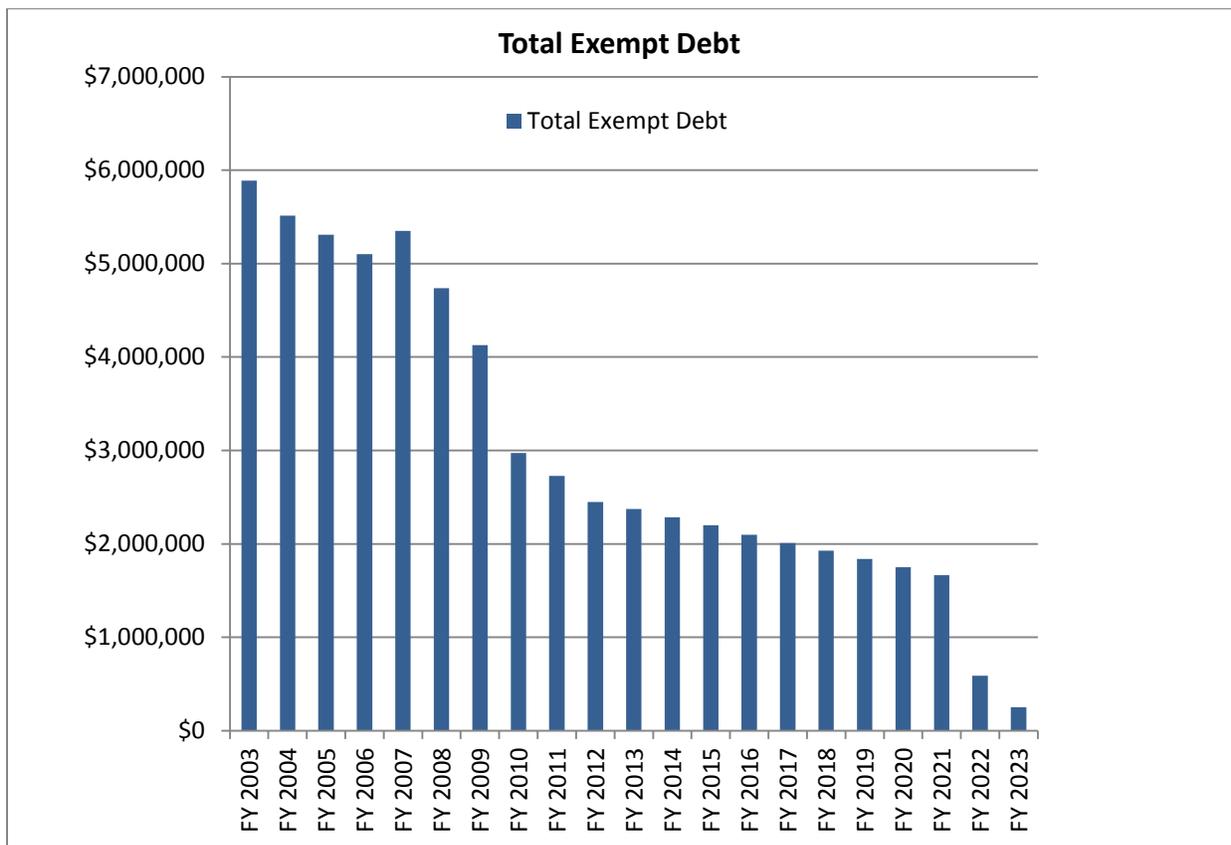
The Town of Sandwich has developed many Long Range Capital Plans and project-specific studies over the last several decades. While these plans have not been acted upon for the most part, they have been critical in raising the level of understanding about the larger capital needs of the Town and School Department. The Board of Selectmen, with the support of the Capital Improvement Planning Committee (CIPC), has identified the development of a new, comprehensive Long Range Capital Plan (LRCP) by the conclusion of 2012 as one of the primary goals of the current Long Range Plan (LRP).

It is important to point out that while there is no standard definition of the types of projects and improvements that make up a Long Range Capital Plan, the general definition we have followed is a significant project or improvement that could not be funded within the constraints of Proposition 2.5 or within the Town's existing tax levy capacity. A more detailed explanation of funding mechanisms for the projects included in this Plan is found in Section 3. These projects include the construction of new buildings, the renovation of existing buildings, and the improvement of existing public infrastructure. An example of a potential new building would be a joint public safety building. An example of renovating an existing building would be improving and reusing the Henry T. Wing School if the existing School services currently provided there were reconfigured and/or relocated to another School building. An example of improving existing public infrastructure would be a road bond and/or override to improve the condition of public roads, drainage, and other similar municipal infrastructure like access roads, parking lots, and outdoor recreation courts.

The Long Range Capital Plan does not include the replacement and purchase of vehicles, equipment and minor building repairs which are typically funded through the annual capital budget within the Town's tax levy capacity, not requiring an exclusion or override. The annual capital plan developed by the Town and approved by the Selectmen, CIPC, and Finance Committee addresses and identifies many of these needs. It should be noted that occasionally, very expensive pieces of capital equipment may need to be purchased through an exclusion. An example of this is the effort to purchase the Fire Department's ladder truck in 1992 and 1995. It's likely the eventual replacement of the existing ladder truck will need a future exclusion vote as its current replacement cost is approximately \$1.5 million.

Before identifying several needs and projects in the Long Range Capital Plan, it is important to point out why it is so critical to have a plan adopted by the Selectmen today. One of the primary reasons is because it is healthy for a community to realistically plan and project future needs and how they might be funded. The vast majority of long term capital needs are well known to Town officials and have been identified for many years. The real difficulty is determining how to fund these needs and actually implement the Plan.

The Town's debt payments outside of Proposition 2.5 have declined substantially over time. Since its recent peak in FY'07, annual debt payments have decreased by \$2.7 million by FY'13. The main reason for this significant decrease is that large School building projects – the construction of the Oak Ridge and Forestdale Schools and the major renovations to Sandwich High School – have either been fully paid off (Oak Ridge and Forestdale) or we're far enough along in the bonding schedule that annual payments have dropped over time (Sandwich High School). A chart depicting the dramatic decrease in annual debt payments since FY'07 is found below and as Attachment 1. We have also attached the Town's full Debt Schedule as it exists today as Attachment 2.



The concept of issuing new debt as previously approved debt is retired is not new. The 2005 Town of Sandwich Long Range Plan (2005 LRP) adopted by the Selectmen stated that the plan “gives the Selectmen the opportunity to prioritize projects and then schedule them when funds are available. In the case of capital building projects, this document would be used in conjunction with the Town’s debt schedule to time new capital expenditures as the debt on old ones is retired.” The 2005 LRP also set the following goal to achieve financial stability and to better manage the Town’s debt: plan future capital projects to coincide with retirement of existing debt as much as possible in order to stabilize the Town’s total debt level.

Another factor that makes the timing of this Plan so critical is the fact that the Town is very close to reaching its build out population. As explained in great detail below, Sandwich grew so rapidly from 1970 – 2000 that substantial building projects, almost exclusively School construction and renovation projects, had to be addressed. At one point in the early 1990s, Sandwich had the second largest amount of total authorized debt in the Commonwealth, behind only the City of Springfield. Now that we have approached build out, with an expected maximum future population of 28,750 based on a 30-year build out analysis in the latest Local Comprehensive Plan (p. 1-50), it’s likely that any future buildings we construct, or major renovations we undertake, will be sufficient for our maximum population in light of our current population of 22,000. This is particularly true now that it appears the 10-year trend of declining school enrollment figures will continue in the future and the possibility of reusing existing school facilities for other municipal needs is more of a reality. Attachment 3 shows the actual Town population and school enrollment figures for almost two decades.

Since the Town is so close to its projected build out population, we have a more accurate estimate of the square footage of buildings that are needed to serve this population. It’s clear that any new construction should include a reasonable amount of space to allow for future growth, but it’s also clear that the likelihood of needing substantial additions in the future to address a growing population is much less than if the buildings were constructed 20 years ago.

Yet another reason why the development of this Plan is so important at this time is the realization that the Town has, in many ways, neglected to approve the issuance of new debt to either renovate existing buildings and infrastructure or construct new ones. As identified by the primary municipal bond rating agencies, the issuance of debt is seen as a healthy sign that a community recognizes its long term infrastructure needs and takes the appropriate, responsible steps to fund these efforts for the benefit of future generations. Simply stated, towns that regularly agree to address growing

infrastructure needs are rated higher in terms of their credit ratings and are deemed healthier than towns that don't.

Today, Sandwich has the best bond rating it has ever had (AA- through Standard & Poors), interest rates to borrow money are at historic lows, and it's indisputable that the longer the Town waits to address its capital needs, the cost to do so will only increase over time. Projects that were analyzed 10-20 years ago with accurate cost estimates would cost more than double that amount today. This trend will continue in the future with public construction costs and prevailing wage rates increasing constantly.

Prior to reviewing the entire Plan, it should be noted that during the numerous, widespread capital planning efforts identified below, professional advice and input was sought from architects the Town had worked with previously, but in virtually every case, funding for these professionals was not provided, so cost figures are truly best educated estimates. The same holds true for square footage needs estimates. Except in the cases where professional architects have been retained to fully analyze space and programmatic needs and develop construction costs based on schematic design plans or detailed construction plans, it's important to remember estimates of both space requirements and project costs are purely estimates.

Finally, certain assumptions have to be made in terms of estimating construction costs, bonding rates and costs, and the commensurate impact on Town taxes. In discussing capital needs and estimated costs, the assumptions we have used in arriving at our figures, and the reasoning behind these assumptions, will be explained in greater detail in Section 6.

Executive Summary

The prioritized listing of long term capital projects and infrastructure improvements, based on the Selectmen's prioritized project list, are explained in much greater detail in the remaining sections of this Plan. In listing the prioritized rankings, we have broken out the projects into three separate groupings. The first group – Group A – represents the highest priority projects, with the Joint Public Safety Building and Public Roads & Infrastructure projects being the clear, top two priorities. Group B represents the next several projects, most of which should be reviewed as part of the recommended feasibility study on potential reuse of the Henry T. Wing School if the School Department abandons use of this building. Group C represents the least important projects. In addition to this list, the CIPC also makes five separate recommendations to the Board of Selectmen which are explained in detail immediately following the prioritized grouping of long term capital projects.

SUMMARY OF PRIORITIZED LARGE-SCALE CAPITAL PROJECTS

Group A – Top Priorities:

1. Joint Public Safety Building
2. Public Roads / Infrastructure
3. Water Resources Management
4. Beach Erosion Prevention

Group B – Secondary Priorities:

(Subject to Completion of Feasibility Study of Henry T. Wing School Re-Use)

5. Municipal Offices Consolidation
6. Henry T. Wing School Re-Use
7. School Consolidation (STEM)
8. Senior / Community Center
9. Library Facilities

Group C – Lowest Priorities:

10. Recreation Field Development Plan
11. Marina Office Building
12. Pedestrian / Bike Path Improvements

CIPC RECOMMENDATIONS TO BOARD OF SELECTMEN

1. The Board of Selectmen should proceed as soon as possible with debt exclusions for the Joint Public Safety Building and Public Roads & Infrastructure projects. These projects are the unanimous top priorities of both the Selectmen and the CIPC and are desperately needed.

2. The Board of Selectmen should support funding a feasibility study on the potential re-use of the Henry T. Wing School. Several of the projects on the LRCP list could potentially be addressed by the extensive renovation and/or construction of new space at the Henry T. Wing School if the School Committee declares the building surplus in the future. It is anticipated the cost to perform such a feasibility study based on the desired scope of work would be \$75,000.

3. In projecting future debt service obligations, the Board of Selectmen should plan on issuing new debt so it at least equals the levels funded in FY'07. The Town has not issued significant debt for several years which has led to the list of needed projects outlined in the LRCP. The only way the vast majority of these projects can be funded is through debt exclusions. Delaying project needs will undoubtedly increase costs over time. Projections of future debt exclusions are found in Section 6.

4. As required by M.G.L. c.44, §63, any funds from the sale of Town land and buildings need to be placed in a Sinking Fund, with specific restrictions on how the sale receipts can be used. The CIPC recommends that this fund only be used to pay for the issuance of new debt, not debt already issued. The Town's long range capital needs are too voluminous to spend these monies on previously issued debt.

5. The CIPC recommends a threshold be established for any New Growth over and above an amount to be determined by the Board of Selectmen, which would be dedicated for capital improvement purposes. The 10-year average of New Growth is \$550,000. Since debt payments made within the constraints of Proposition 2.5 would still need to be funded in difficult financial times, caution needs to be exercised if recurring debt payments are considered to be funded this way.

Section 2: Historical Perspective

Prior to commencing a discussion about the Town's current capital needs, it is important to recognize the work that has been done previously by Town officials to identify and address our community's capital and infrastructure needs. There have been several study groups through the years that have developed plans, identified needs, and prepared cost estimates. In general, these plans have not been acted upon comprehensively and very few have even been addressed in a piecemeal fashion. Perhaps the biggest testament to this is after the first debt exclusion ballot question was presented to the voters in 1983, residents were asked to vote on 62 different ballot questions related to the issuance of debt or one-time capital expenditure exclusions over the next two decades. In the decade since 2003, voters have been presented a total of only 5 ballot questions. Even though many of the planning efforts outlined below have not been voted on, it is important to explain what work has been done previously in terms of long term capital planning and what votes the Town has taken since Proposition 2.5 went into effect in 1981 to fund capital projects.

Previous Capital Plans & Related Efforts

The Town likely had several capital plans prior to 1990, but it is clear based on how substantially Sandwich grew from 1970 – 2000 that rapid, informed decisions had to be made to address Sandwich's growing population. A town that had 4,000 year-round residents in 1970 grew 425% to 21,000 year-round residents by 2000. This was especially true when it came to addressing the very large increases in the student-aged population. In a relatively short period of time, the Town constructed Sandwich High School in the mid-1970s and the two additional K – 8th Grade buildings that eventually became the Oak Ridge and Forestdale Schools in the late 1980s, completed extensive renovations to the Henry T. Wing School, funded additions to the two new schools just 9 years after they were built, and approved a major expansion and renovation of Sandwich High School in 1997. It was after these educational buildings were constructed that Town officials began to look at other, non-educational capital needs.

1985 – 1990. During this period, the Town desperately tried to address the building space needs that came with such a rapidly growing population. The largest, sustained effort was an active Municipal Building Committee that eventually developed a plan to construct a 40,000 sq. ft. municipal office building on Quaker Meetinghouse Road, across the street from the existing Human Services Building. The Committee also designed a central Fire headquarters at the same location. Funding for these design efforts was supported by Town Meeting and Sullivan Architects was retained, but an attempt to fund the actual construction of the two buildings failed at a Special Town

Meeting in September 1988 and never made it before the voters through commensurate ballot questions.

In 1986 and 1987, the Human Services Building was constructed by students and faculty of the Upper Cape Cod Regional Vocational Technical School. This building housed the Council on Aging and Public Health Nurse's offices, with an unfinished, partial basement for storage purposes.

Most importantly, in 1987, voters approved a \$33.125 million bond to design and construct the Oak Ridge and Forestdale Schools, which eventually opened to students at the start of the 1990 – 1991 school year.

Concerted effort was also made during this period to purchase open space. More than 207 acres was purchased through 4 separate debt exclusion votes in 1986 alone.

1990 – 1995. During this timeframe, the Town attempted to address office space needs through a variety of measures. Offices were relocated between various municipal buildings to better group similar departments that would interact with each other most frequently (i.e. Accounting & Treasurer at Town Hall; Assessing & Collecting at Town Hall Annex; Engineering, Planning & Development, & DPW at DPW Barn). Improvements were made in existing buildings to expand usable space as much as possible (i.e. basement of Human Services Building for all Inspections Offices; basement of Library for expanded meeting and service space). Some existing municipal buildings were renovated to allow for increased services to the public (i.e. renovation of Forestdale Fire Station coupled with an override to hire Fire personnel to staff this station). And, ultimately, some additional office space was acquired by the Town to house municipal departments (i.e. purchase of bank foreclosed 16 Jan Sebastian Drive to house Inspections Offices, Planning & Development, and Engineering).

Despite these efforts, it became clear to most efficiently provide services to the public, additional consolidated building space, similar to the efforts of the mid-1980s, was needed to house municipal offices. Over the next several years, many attempts were made to prepare and act on a Long Range Capital Plan. The Annual Town Meeting of 1993 even granted the Selectmen the authority to appoint a Municipal Building Needs Committee which led to several study efforts spelled out below, but never materialized into the actual construction of new buildings or office space.

In 1993, a \$6.5 million debt exclusion was presented and approved by voters to construct a regional septage pre-treatment facility at the Massachusetts Military Reservation (MMR). This effort was the culmination of work completed by the Solid Waste Wastewater Advisory Committee (SWWAC) and entailed extensive discussions with MMR officials and the other three Upper Cape communities. By the time all the details of the project could be worked out, the needs of the Upper Cape towns had changed based on excess capacity at other Cape wastewater treatment plants which ultimately meant the project was never bonded and never proceeded. Since that time, the MMR treatment plant has been expanded for Base-related users.

The Finance Committee and Town Manager also explored the possibility of a creating an Infrastructure Investment Fund to pay for long term capital needs, particularly as existing debt – primarily related to School construction projects – decreased over time. These efforts yielded reams of valuable information, including a prioritized list of projects with corresponding tax rate impacts, but did not materialize into a formally funded plan. Many of the ideas on how to establish a separate fund for new infrastructure were not allowed, by right, through State law and the filing of special legislation was deemed to be unlikely, at best. A summary of this effort is found as Attachment 4.

As a result of the cooperation and generosity of ComElectric, then owners of the Canal Station power plant, funding and work was provided to renourish the dune system at Town Neck Beach in 1990. This project was completely funded by ComElectric and placed approximately 45,000 cubic yards of material on Town Neck Beach through dune restoration and plantings.

1995 – 2000. During this period, several study groups were formed to develop plans for future municipal building needs, with the bulk of the efforts focused on developing the Town land off Quaker Meetinghouse Road in the so-called Golden Triangle (now South Sandwich Village Center) as a central municipal complex in a campus-style setting. It was also at this time the Fire Chief and Town Manager approached Hewlett-Packard Corporation about the possible donation of 5 acres of their land at the corner of Quaker Meetinghouse and Cotuit Roads for a new, joint public safety building. Previous studies and response time analyses indicated this was the desired location for a headquarters from which the Fire and Police departments could best respond. This request was denied, but several years later, Hewlett-Packard officials gave the Town the right of first refusal to buy their 83 acres which the public overwhelmingly supported in 2002 for \$3.6 million at both Town Meeting and the ballot.

In 1995, the Board of Selectmen reached out to all Town departments and the School Committee to solicit input on how best to address future capital needs focusing on the Town land across the street from the Human Services Building located at 270 Quaker Meetinghouse Road and the Town land in the Golden Triangle / South Sandwich Village Center. A copy of the information compiled at this time is attached as Attachment 5.

In 1997, the Board of Selectmen again reached out to all Town departments and the School Committee to solicit input on how best to address future capital needs, again focusing on the two areas previously mentioned. A copy of the information compiled at this time is attached as Attachment 6.

In 1999, the Board of Selectmen once again reached out to all Town departments to develop a long range plan for developing municipal buildings on the two Town owned groupings of land off Quaker Meetinghouse Road. This effort led to the formation of a Municipal Building Committee which submitted a report to the Board of Selectmen in the Fall of 2001. This effort included professional feedback and size and cost estimates from Sullivan Architects who previously did the municipal building work in the mid-1980s and HMFH Architects who constructed the Oak Ridge and Forestdale Schools. Cole Rosen Communications was also contracted to provide advice on public outreach and support efforts. A copy of the information gathered during this extensive effort is attached as Attachment 7.

The 1996 Local Comprehensive Plan (LCP) contained an entire section entitled "Capital Facilities and Services Element" outlining the Town and School building and infrastructure needs and highlighting the importance of funding capital planning efforts. This Plan was unanimously adopted at Town Meeting but never received the approval of the Cape Cod Commission. The 1996 LCP is found as Attachment 8.

In addition to the building efforts mentioned above, it was clear that the Town's road and drainage network – by far its most expensive and valuable physical asset – was deteriorating rapidly and could not be sustained within the constraints of Proposition 2.5. Following several years of educational efforts on this topic, voters approved a road bond debt exclusion of \$3.2 million in 1996 to fund repairs and improvements to many municipal roads and existing public infrastructure at school and municipal facilities.

In addition to the municipal efforts mentioned above, continued student population growth caused the construction of portable classroom units on the Oak Ridge and Forestdale Schools through an approved debt exclusion of \$1.4 million in

1999. These additions to the two K – 8th Grade schools were completed in 2000 and remain in use today.

By far the largest capital need that was addressed during this timeframe was approval by the voters in 1997 of just under \$26.0 million in additions and renovations to Sandwich High School. These improvements were completed in time for students to fully use the renovated building starting in the midst of the 1999 – 2000 school year.

2001 – 2007. Several additional large scale capital efforts were undertaken during this period, but most never received the required funding to complete them.

In terms of maintenance of municipal buildings, the Selectmen and CIPC prepared extensive summaries of needed building maintenance repairs and improvements through Corsano Engineering. These recommended repairs looked at 32 different Town and School buildings and totaled \$5.25 million if addressed immediately, with a corresponding projected cost of \$6.4 million if they were completed over time. A copy of this report is found as Attachment 9. Voters were approached twice in 2001 to fund repairs based on the Corsano report. An initial request of \$500,000 was rejected, but voters later supported appropriating just over \$1.25 million in additional funds for building improvements. To further emphasize the priority and importance of building maintenance, the Public Facilities Department was established in 2003 to better oversee and maintain the Town's buildings.

In 2006 – 2007, the Board of Selectmen again commenced a concerted effort to identify future capital needs, working in conjunction with the School Department. A group of 8 school and municipal officials analyzed the large scale capital needs of the Town and prepared summary documents listing all the anticipated projects, highlighting the more than \$2.5 million decrease in debt payments by FY'12, and hosting several public informational presentations. A copy of the information gathered during this extensive effort is attached as Attachment 10. Much of the work this group completed has been used in preparing this Capital Plan.

In addition to these efforts, the CIPC consciously highlighted on the front of each year's capital budget documentation a list of the prioritized large scale building needs with rough estimated costs for many years. Copies of these summaries are found in Attachment 11 and are available in the Town Manager's Office for relevant fiscal years. This practice ceased in the late 2000s as it became clear newer, more detailed size and cost estimates were required.

During this time period, the Selectmen authorized the completion of a feasibility study for a potential new senior center. Catlin & Associates Architecture, Inc. (CAA) was hired to perform a feasibility, program, and space analysis. The review also looked at renovations and expansion of the existing Human Services Building. The results of this study called for an approximate 18,000 sq. ft. new building projected to cost \$4.0 million at the time of issuance of this report in 2005.

In 2006, the Recreation Director and other relevant departments worked with all the local youth sports organizations in developing a Recreation Field Development Plan outlining the specific types and number of recreation fields needed to properly serve our community. Beyond question, the existing field space at all the local public schools is inadequate. Fields are overused and cannot be rested appropriately. More details on this effort are described in Section 4.

Once again, the owners of the Canal Station power plant – this time Mirant Energy LLC – funded the placement of 55,000 cubic yards of material on Town Neck Beach in 2004, all above the mean high water line, to stabilize the dune system in this area. This project was completely funded by Mirant as a result of their need to perform dredging of the Cape Cod Canal to allow ships to access their facility.

In addition, the Town formally filed a Draft Environmental Impact Report (DEIR) with the Commonwealth for the Old Harbor Inlet Stabilization and Beach Management projects in November 2004. This filing was the culmination of more than 5 years of effort between the Town, its environmental and engineering consultant, Woods Hole Group (WHG), the Army Corps of Engineers, and various State and regional offices. Ultimately, the Commonwealth was not supportive of the efforts identified in the DEIR and the Town continued to attempt to find ways of addressing the beach erosion problems at Town Neck and Spring Hill Beaches, an effort that continues today. A copy of the DEIR submitted by the Town is Attachment 12.

To further supplement the beach erosion efforts, the Town formally filed several requests with the Army Corps of Engineers (ACE) between 2006 and 2009 with a goal of the ACE accepting responsibility for preventing the natural migration of sand to Sandwich beaches and dunes caused by the Cape Cod Canal East End jetties. A Section 111 study was requested and filed in 2006 and a Section 933 analysis request was filed in 2007. No formal response from the ACE has been received by the Town on either request.

2008 – Present. During this period, some major capital improvements were funded by Community Preservation Act (CPA) funds, an extensive review of the

condition and related repair costs of all Town and School buildings was conducted, and more extensive, detailed review was completed on several of the largest capital needs the Town currently faces.

Total preservation and restoration of Sandwich Town Hall occurred from 2008 to 2010, with the \$3.25 million project funded primarily through CPA funds. CPA monies were also used to fund other historic improvements during this time period at several other Town facilities, including the Hoxie House, Deacon Eldred House, the Sandwich High School track, and the Upper Shawme Pond Dam. The Upper Shawme Pond dam project, in particular, was an important capital effort as it provided greater protection for the public and private properties and the infrastructure below the dam and will not likely need to be improved again, other than normal maintenance, for many decades. The total cost of the dam project was just over \$1.1 million.

In 2009, Town Meeting and the Cape Cod Commission adopted an updated Local Comprehensive Plan. This document included an extensive section entitled "Community Services and Facilities" which outlined in detail many of the major capital needs that had been talked about and studied for years. The 2009 LCP is found as Attachment 13.

In terms of maintenance of municipal buildings, the Selectmen and CIPC also prepared extensive summaries of needed building maintenance repairs and improvements for all Town and School buildings, working with the infrastructure cost estimating firm Rider Levett Bucknell (RLB). This report highlighted a recommended \$25.6 million in total repairs needs, with further analysis recommended of the Henry T. Wing School due to the significant nature of repairs needed beyond an initial review of the building. A copy of the full report prepared by RLB is found as Attachment 14. The Town, working through the CIPC, attempted to prioritize the \$25.6 million total and reduced it to a recommended \$5.365 million in recommended Phase One repairs. This debt exclusion effort failed to receive support at a 2010 ballot question and, as a result, a reduced scope of work was prepared.

This effort to reduce the scope of recommended repairs eventually ended up breaking out the funding for the Oak Ridge and Forestdale School roofs and windows project through the MSBA Green Repair Program mentioned above and identified a \$500,000 capital exclusion to completely replace the Library's HVAC and associated systems. In addition, \$100,000 was appropriated to more closely analyze the condition of the Wing School. The Library HVAC capital exclusion was approved by the voters at the May 10, 2012 Town election after being defeated the prior year. The remaining repairs from the original \$5.365 million request were either eliminated from

consideration or attempted to be funded over time through an additional \$150,000 appropriation within the Town's annual operating and capital budgets to handle the most basic needed repairs and compliance issues. These efforts have proven to be extremely successful under the oversight of the Public Facilities Department, but in no way can they be expected to take the place of the \$25.6 million in repairs recommended by RLB or the failed debt exclusion attempt of \$5.365 million.

Voters in 2011 approved a \$5.4 million debt exclusion to pay for roof and window repairs at the Oak Ridge and Forestdale Schools, with work completed by the opening of school for the 2012-13 school year through the Massachusetts School Building Authority's Green Energy Repair Program.

Concerted efforts to address beach erosion problems continued throughout this time period. In March 2012, a new scope of work was signed with WHG to permit both the Beach Management and Old Harbor Inlet Stabilization projects. It is anticipated permitting efforts will culminate in 2014, with additional effort required to complete the Army Corps' review of study projects previously submitted by the Town. A copy of this scope of work, along with a brief summary of the historic efforts to mitigate erosion caused by the Canal jetties, is found as Attachment 15.

Three larger building needs were analyzed in the last few years, specifically, efforts surrounding a joint public safety building, a new Sandwich Public Library branch building, and a School Department master plan and needs analysis based on rapidly decreasing school enrollments and major physical shortcomings with the Henry T. Wing School building. In all cases, architectural firms were hired to complete detailed studies with eventual schematic designs developed of the public safety and library efforts, and specific recommendations for the Wing School and related School Department master plan. A brief overview of each effort is found below with very detailed reports issued on all 3 found as attachments to this Plan. Lastly, it's important to note that all 3 projects are still being reviewed and developed with no final decisions made at this time.

Over the last 18 months substantial progress has been made on a Joint Public Safety Building effort, focusing on both a new headquarters for the Police and Fire Departments and a new Fire substation to provide improved emergency response to the Town as a whole. The current emergency facilities are located in the wrong areas in Sandwich based on our population level and growth patterns, the buildings are in very poor condition, and to staff all 3 Fire facilities would be extremely expensive, requiring a significant override greater than \$1.0 million for personnel-related costs alone. One of the other glaring shortcomings of our current locations is emergency medical response times greater than 8 minutes to 27% of the Town's population, most in East Sandwich.

The recommended solution would properly locate the headquarters station at the corner of Quaker Meetinghouse and Cotuit Roads and construct a new substation on municipal land at the Sandwich High School site, thereby establishing 8 minute response times for all but less than 1.5% of the total population. Much more is explained about this effort in Attachment 16 which was developed by Kaestle Boos Associates, Inc. (KBA) and KBA's professional subcontractors. The total cost for the recommended 56,000 sq. ft. headquarters and 8,500 sq. ft. substation is estimated at \$30.0 million.

Two years ago, Drummey Rosanne Anderson, Inc. (DRA) was hired to prepare a schematic design for efforts by the Sandwich Public Library to construct a new, branch library on approximately 3 acres in the area of Town known as the South Sandwich Village Center. A focus of DRA's efforts was to prepare a comprehensive report that could be submitted to the Massachusetts Library Commissioners to be approved for potential funding in the future. The report and application to the Massachusetts Public Library Construction Program was submitted in January 2011 and the proposal has been placed on a waiting list for potential State funding in the future. A copy of the application, which includes DRA's analysis, is found as Attachment 17. The report calls for a 42,400 sq. ft. building with an estimated construction cost of \$15.25 million. If ultimately approved for funding through the Construction Program, it's likely State resources will cover approximately half of the total construction cost. Personnel costs to staff the branch library have not yet been identified.

One of the results of the RLB analysis of the existing condition of dozens of Town and School buildings, was a recommendation to have a forensic engineering and detailed architectural analysis of the Henry T. Wing School due to the building's antiquated condition and the number of additions and renovations that have occurred on the site over the last eighty years. The firm of Symmes Maini & McKee Associates (SMMA) was hired to perform this review. Based on the results of the Wing School analysis and the enrollment decreases the Town has experienced, SMMA recommended the completion of the system-wide master plan study for the School Department. This study, which was completed in July 2012, is found as Attachment 18. It has numerous recommendations that are currently being reviewed by the School Committee, many of which will impact the future use of the Wing School and the other 3 public schools in Sandwich. In terms of the Wing School itself, which was the focus of the report, two of the findings on SMMA are important to point out for capital planning purposes:

- "The study of the H.T. Wing School showed the building has significant issues that need to be addressed. These include: many engineering systems at or

beyond their expected useful life; building envelope issues; handicapped accessibility and others.” (p. 10 of Attachment 18)

- “The Henry T. Wing School is in a condition that will require a significant investment just to maintain in good working order. There are short comings of the school such as the lack of handicapped accessibility and building systems that are beyond their useful life.” (p. 52 of Attachment 18)

In short, based on the condition of the Wing School, the declining enrollment the School Department is experiencing, and a desire to offer enhanced curriculum at Sandwich High School, it is possible the Wing School may cease being used as a school, with the property available for other public uses, provided appropriate repairs and improvements are made. The list of required improvements for the Wing School include: the building envelope; masonry wall repairs; hazardous materials abatement (asbestos and lead paint); the addition of a fire protection system; and replacement of the plumbing, mechanical, and electrical systems.

Previous Proposition 2.5 Exclusion Votes:

It is important to recognize the previous attempts to fund capital needs presented to the voters since the implementation of Proposition 2.5 in 1981. As you will see from this list, several attempts have been made through the years to fund needed items, some have received funding and some have not. Very few requests have been presented to the voters over the last 10 years, largely an indication of more recent economic conditions in the region and nation. Of the 67 exclusion votes presented to voters, 35 – or 52% – have been approved. Listed below are all the Proposition 2.5 exclusion votes taken by the Town of Sandwich since 1981.

PROPOSITION 2.5 EXCLUSION VOTES SINCE 1981

Date	Issue	Amount	Vote
9/14/1983	Renovate Public Library	\$850,000	Yes
5/10/1984	Renovate Town Hall & Town Hall Annex	\$13,500	No
5/10/1984	Purchase Police Cruisers	\$34,500	No
5/10/1984	Repair Police Building	\$5,000	No
5/10/1984	Install & Repair Guard Rails	\$5,000	No
5/10/1984	Create Drainage Account	\$30,000	No
5/10/1984	Purchase DPW Sweeper	\$3,000	No
5/10/1984	Purchase Fire Pick-up	\$14,000	No
5/10/1984	Purchase Fire Pumper	\$110,000	No
5/10/1984	Hoxie House Roof Repairs	\$9,000	No
5/10/1984	Highway Construction Efforts	\$25,000	No
5/10/1984	Pave Clayton Street	\$5,200	No
5/10/1984	Town Engineer Vehicle	\$8,600	No
5/10/1984	HT Wing School Roof Repairs	\$12,600	No
5/10/1984	HT Wing School Window Repairs	\$2,000	No
5/10/1984	Master Plan Update	\$70,000	No
5/10/1984	Computerization of Library Services	\$35,000	No
5/10/1984	Council on Aging Bus	\$12,000	No
5/15/1986	Van Buskirk Land Purchase (27.5 acres)	\$124,000	Yes
5/15/1986	Shields Land Purchase (48.3 acres)	\$1,100,000	Yes
5/15/1986	Sullivan & Vaughan Land Purchase (46.0 acres)	\$480,000	Yes
10/9/1986	Purchase Fire Pumper	\$147,000	Yes
10/30/1986	Plans for 2 K-8 Schools & Wing Renovations	\$1,050,000	Yes
10/30/1986	Inismore Land Purchase (86.0 acres)	\$2,500,000	Yes
10/30/1986	Purchase Police Cruisers	\$99,500	Yes
10/30/1986	DPW Dump Trucks with Plows	\$150,000	Yes
5/7/1987	Construct 2 K-8 Schools & Wing Renovations	\$33,125,471	Yes
5/7/1987	Solid Waste Transfer Station Construction	\$965,000	Yes
5/2/1988	Town Hall Repairs	\$32,000	No
5/5/1988	Regional Solid Waste Transfer Station at MMR	\$156,809	Yes
5/5/1988	School Library Detection System	\$2,000	Yes
5/5/1988	HT Wing School Repairs	\$13,500	Yes
5/5/1988	Portable Classroom Purchases	\$57,500	Yes
5/5/1988	DPW Road Survey & Inventory	\$15,000	Yes
5/5/1988	Landfill Capping Efforts	\$100,000	Yes
5/5/1988	Recreation Sail Boats	\$6,600	Yes
5/5/1988	DPW Dump Truck	\$20,000	Yes
5/5/1988	Winter Maintenance of Private Streets	\$20,000	No
5/5/1988	Police Equipment	\$111,601	Yes
5/5/1988	Wastewater Facilities Planning	\$255,003	Yes

9/19/1988	Municipal Office Building *	\$7,000,000	No *
9/19/1988	Central Fire Station *	\$4,400,000	No *
9/19/1988	Regional Solid Waste Transfer Station at MMR	\$267,262	Yes
5/1/1989	Forestdale Fire Station Renovations & Staffing	\$488,352	Yes
5/7/1990	Wastewater Facilities Planning	\$90,000	No
5/9/1991	Groundwater Contamination Investigation	\$125,000	No
5/7/1992	Fire Department Ladder Truck	\$495,000	No
5/7/1992	Fire Department Vehicle	\$17,300	No
5/7/1992	DPW Street Sweeper	\$65,000	No
5/6/1993	Regional Septage Facility at MMR	\$6,500,000	Yes
5/6/1993	Landfill Capping	\$2,000,000	Yes
5/6/1993	Forestdale Fire Station Renovations	\$29,600	Yes
5/6/1993	Fire Rescue Truck	\$200,000	Yes
4/4/1996	Road Bond & Facilities Improvements	\$3,200,000	Yes
11/20/1997	High School Renovations & Additions	\$25,880,000	Yes
11/20/1997	OR, FD, HTW School Renovations & Additions	\$7,161,000	No
3/25/1999	Oak Ridge & Forestdale Modular Classrooms	\$1,400,000	Yes
5/1/2000	Sandwich Town Hall Renovations *	\$675,000	No *
5/4/2000	Service Road Reconstruction & Rt. 130 Signal	\$1,325,000	Yes
5/10/2001	Building Repairs & Maintenance	\$500,000	No
9/27/2001	Renovations to Town & School Buildings	\$1,255,000	Yes
11/21/2002	Hewlett-Packard Land Purchase (83.0 acres)	\$3,600,000	Yes
5/4/2006	Repair Upper Shawme Pond Dam	\$400,000	No
11/2/2010	Repairs to Various Town & School Buildings	\$5,365,000	No
5/5/2011	Oak Ridge & Forestdale Roofs & Windows	\$5,415,780	Yes
5/5/2011	Library HVAC System	\$450,000	No
5/10/2012	Library HVAC System	\$500,000	Yes

* = "No" Vote Received at Town Meeting so Ballot Question Never Presented

Section 3: Explanation of Funding Alternatives

The Massachusetts General Laws (M.G.L.) are very specific in identifying how municipalities can raise funding for large scale capital projects. Some of these alternatives are very detailed in how they must be handled and others are quite complex requiring comprehensive legal review. Listed below is a brief explanation of the funding alternatives available to municipalities for capital and infrastructure projects.

Appropriations Within Tax Levy Capacity – Municipalities may vote to fund capital expenses within their tax levy capacities provided sufficient funding exists to fund these expenses. This type of appropriation requires only Town Meeting authorization to implement. It is safe to say that most, if not all, of the projects listed in the Long Term Capital Plan are too large to fund within the Town's levy capacity. An example of a project the Town funded through this alternative was the purchase of Sandwich Hollows Golf Club. This was approved at a March 1999 Special Town Meeting through funding within the Town's tax levy authority. As such, the bond payments for purchasing this land are not exempt from Proposition 2.5 and must be funded within the levy capacity by the Town until the bonds are fully paid.

Another source of potential funding within the Town's tax levy capacity is attempting to earmark any excess levy capacity or future increases in new growth for large scale capital expenditures. Excess levy capacity is the difference between the maximum amount the Town is allowed to raise through its tax levy and the amount it is actually authorized to raise by Town Meeting. Over time, the amount of excess levy capacity the Town has had at its disposal has drastically shrunk to the extent that for the last 8 fiscal years the excess levy capacity has average under \$35,000, which means it is basically \$0.

New growth is the amount of new tax value added to the Town's total valuation from things like new construction, additions and renovations, new commercial and housing development, etc. Over the past ten years, new growth has averaged just over \$550,000 and all of this has been needed and used to balance the annual Town budgets. If the economy improves and our new growth amounts increase above their historic averages, any increase over and above the traditional amount could be voted toward large scale capital needs. If this was ever done, once a commitment is made by the Town to honor the issuance of debt within Proposition 2.5, it has to come from within our levy capacity for the entire term of the bonding, even if the Town's financial condition worsens and future new growth amounts shrink like the Town has experienced for the last 4 years.

Debt Exclusion – Municipalities may fund capital expenses by issuing debt over and above Proposition 2.5 levy limits through a debt exclusion. This is by far the most common way large capital projects are funded and is the most relevant funding alternative for the vast majority of projects listed in the Long Term Capital Plan. This funding alternative requires a 2/3 vote of the Board of Selectmen to place the question on a ballot, a 2/3 majority vote at Town Meeting because borrowing is involved, and a simple majority ballot vote at the town election. The wording of the ballot question is very specific under M.G.L. and it is important to remember that the debt service is added to the levy limit for the life of the debt only. Once the debt service is fully paid, it does not appear in the community's levy limit. Perhaps the best examples of debt exclusions are the votes to fund the construction of the Oak Ridge and Forestdale Schools and the additions and renovations to Sandwich High School.

Capital Outlay Expenditure Exclusion – Municipalities may fund capital expenses by issuing debt over and above Proposition 2.5 levy limits through a capital outlay expenditure exclusion. Unlike a debt exclusion which allows towns to exceed their levy limit for the life of the debt service, a capital outlay expenditure exclusion only increases the levy limit for the year in which the project is being undertaken. Since most of the projects listed in the Long Term Capital Plan have a high cost associated with them, it's unlikely a capital outlay expenditure exclusion would make sense. This funding alternative requires a 2/3 vote of the Board of Selectmen to place the question on the ballot, and majority approval of both Town Meeting and a ballot vote at a town election. A 2/3 majority vote at Town Meeting is not needed in this instance because borrowing is not needed. The wording of the ballot question is very specific under M.G.L. and it is important to remember that the approved amount is added to the levy limit only for the one year in which the project is undertaken. The community's levy limit does not increase past that one year. Perhaps the best example of a capital outlay expenditure exclusion is the May 2012 vote to fund improvements to the Library HVAC system as a one-time expense.

Override – Municipalities also have the option of funding additional capital expenses through an override above Proposition 2.5 levy limits. While it's most common to see overrides used to fund recurring operating expenses, they can be used to fund capital expenses as well. This type of funding is not common or prudent for major construction projects, but may make more sense for recurring annual needs like public road maintenance efforts or on-going building repairs. This funding alternative requires a majority vote of the Board of Selectmen and majority approval of both Town Meeting and a ballot vote at a town election. The wording of the ballot question is very specific under M.G.L. and it is important to remember that an override is a permanent addition to the levy limit. Again, there is no recent example of an override vote to fund

capital efforts, but the two examples given previously – efforts focused on Town roads, parking lots and recreation surfaces and building improvement efforts – are the types of capital efforts that would make sense for this funding alternative if the best way to solve these problems was determined to be consistent annual funding allocations.

Town Land Sale Sinking Fund – M.G.L. c.44, §63 requires that the proceeds from the sale of any Town land and buildings, other than those acquired through tax title foreclosure, must be placed in a Sinking Fund from which funds may only be expended for purposes for which the town is authorized to incur debt for a period of at least five years. In short, if the Town decides to sell any of its land (i.e. Town land in South Sandwich Village Center), the proceeds from the land sale must be placed in a so-called Sinking Fund and may only be spent on purposes for which the Town can, or has already, incurred debt. Potentially, the sale of Town land could assist in funding the debt for an appropriate new or already authorized purpose or project.

Private Funding / Donations – The Town may be able to fund certain capital projects privately, but the laws governing this type of effort are extremely complex and projects contemplating this type of funding would need to be reviewed closely by Town Counsel on a case-by-case basis. M.G.L. are very strict in terms of public bidding and prevailing wage requirements, and there are safeguards in place to prevent municipalities from maneuvering around these requirements, which is why any consideration of this type of funding mechanism would need to be scrutinized before any ultimate decisions are made. Most of the public bidding and construction laws are overseen by Inspector General's and Attorney General's Offices, so these entities should also be consulted prior to seriously considering private funding capital projects. In short, there are so many different scenarios that could be considered which would be too lengthy to summarize here. An example of a potential project to consider this type of funding would be the design, construction, and operation of wastewater treatment and disposal facilities, which has been accomplished in other Massachusetts municipalities.

Other Governmental Funding – This category covers any other governmental funding that may be available for large capital projects. Historically, the Massachusetts School Building Authority (MSBA) has consistently funded a percentage of the total project cost of approved school projects. This percentage is determined on a case-by-case basis following the submission of a formal application from local school districts. A few years ago, the method of MSBA contribution switched from an annual reimbursement of a percent of the total cost over the life of the bonding to actual pre-payment of the approved percentage up front so fewer total funds had to be borrowed. Another example of state funding that may be available is specific earmarks for public

library and senior center projects. Many of these types of grants are subject to appropriation and have not been as readily available as they have been in prior years from the Commonwealth.

Federal grants are another funding source we should always be cognizant of but, like State grants, almost all have dried up due to federal budget shortfalls. Another federal example would be if the Army Corps of Engineers (ACE) formally accepts responsibility for the impact the Canal jetties have had on beach and dune erosion in Sandwich. If the ACE approves one of the two formal filings the Town has made over the years, a percentage of the improvement costs would be the responsibility of the federal government. More about this topic is discussed below in the description of beach erosion prevention work needed by the Town. A final federal source is funds generated at the East Boat Basin / Sandwich Marina. Any dollars generated at the Marina are technically federal funds and have to be spent at that location, but with the appropriate Army Corps of Engineers approval, these monies can be used on Marina capital projects. This is highlighted below in the description of the Marina Office Building funding.

Informational Resources – Lastly, it should be noted that the Department of Revenue has published two documents that clearly and concisely explain many of the State and local funding alternatives mentioned above. These are “Proposed 2.5 Ballot Questions – Requirements and Procedures” and “Levy Limits: A Primer of Proposition 2.5” which are both attached respectively as Attachment 19 and Attachment 20.

Section 4: Discussion of Capital Needs, Estimated Costs, and Likely Funding Sources

In explaining the items to include in the Long Range Capital Plan, the following is a brief overview of the projects. On those items that directly relate to a School facility, the input of the School Department was sought to develop these estimates. Furthermore, the estimated size of a particular project greatly influences the estimated cost of the project. Where possible, we relied upon expertise from an architect or other relevant professional to develop the size and cost estimate. It's important to note that where an architect or other relevant professional has not been retained to review a particular project, the projected size and cost are much less accurate. For all municipal and school building projects without a detailed study from an architect or relevant professional the Town used a cost per square foot of \$250, not including any standard soft cost (architect, project manager, furniture/fixtures/equipment). In addition, the dollar values assigned to each project are based on today's estimated cost, not what the cost may look like once / if funded. Architectural firms the Town has worked with recently recommend using an inflation factor of 3-4% per year when estimating public construction costs.

It is important to reiterate that the LRCP is focusing on very large projects, all of which could not likely be funded within the Town's annual budget and tax levy authority. The Plan does not address the type of capital projects funded through the annual capital budget process. It's also possible that a project not even being considered at this time becomes of prime importance in the future. Issues like this will need to be addressed on a case-by-case basis as they arise.

As has been stated previously in Section 2, it's very important to remember that RLB's analysis of virtually all Town and School buildings – excluding any cost estimates for the Wing School – showed that a minimum of \$25 million was needed to be spent in 2010 to address building repair needs and code deficiencies. Funding was sought for a debt exclusion of a mere \$5.365 million of the \$25 million recommended, but this was turned down by voters. The Town ended up trying to address these needs by appropriating an additional \$125,000 in building improvements through the annual capital budget and adding another \$25,000 to the Public Facilities Department's operating budget. The roof and window projects at Oak Ridge and Forestdale Schools and the Library HVAC replacement were all ultimately addressed separately through debt and capital expenditure exclusions, respectively. Obviously, additional annual appropriations of \$150,000 do not take the place of more than \$25 million in needed capital repairs, but the Facilities Department has done an exceptional job getting as much done as possible at prioritized municipal buildings.

The following is a list of projects outlined in greater detail below:

- Joint Public Safety Facilities
- Senior / Community Center
- Beach Erosion Prevention
- Water Resources Management
- Public Roads / Infrastructure
- School Consolidation (STEM)
- Henry T. Wing School Re-Use
- Library Facilities
- Municipal Offices Consolidation
- Marina Office Building
- Recreation Field Development Plan
- Pedestrian / Bike Path Improvements

Project: **Joint Public Safety Facilities** – As explained in Section 2, for the past 18 months the Town has been working with architectural firm KBA on an analysis of Sandwich's public safety facilities and needs. After extensive professional review and analysis, a 56,000 sq. ft. joint headquarters is recommended at the corner of Quaker Meetinghouse and Cotuit Roads and an 8,500 sq. ft. substation on the Sandwich High School property. One of the key reasons why this arrangement is recommended is more than 98% of the Town's population will be able to be responded to within the recommended 8 minutes. Currently, only 72% of the population is covered under 8 minutes. The effort has been taken as far as schematic plans and costs estimates. Construction documents have not been prepared. KBA's report is found as Attachment 14.

Estimated Cost: The total estimated cost for both the headquarters and substation is \$30.0 million

Likely Funding Source: With a projected cost of \$30.0 million, the only way this project can be funded is through a debt exclusion of Proposition 2.5.

Project: **Senior / Community Center** – As explained in Section 2, the architectural firm of CAA was retained in 2004 to conduct a feasibility study and master plan for a new senior center which was issued in early 2005. This study led to the recommended pre-schematic design of a new building consisting of 18,000 sq. ft. to provide services to

seniors and the community. The plan included Council on Aging and Nursing Department services in the building. The estimated construction cost in 2005 for the new building was approximately \$4.0 million. The feasibility study also looked at renovations and expansions to the existing Human Services Building totaling \$850,000. This study did not take the programmatic planning efforts to a full schematic design and, therefore, the size and cost estimates from 2005 would need to be re-analyzed to make the figures relevant today. CAA's feasibility study is found as Attachment 19.

To facilitate public support for such a project, any new municipal building should focus on senior services and also provide some resources to the entire community. As highlighted throughout this Plan, Sandwich has not built new general government buildings for many, many years. When constructing new buildings, we would be remiss by focusing them only on a single department or service and should provide program space that other departments and the public can utilize. This can be accomplished through public meeting rooms, shared spaces that allow other departments to provide services there, etc.

Finally, as highlighted in more detail below, if the Henry T. Wing School is no longer used for school services and is significantly improved to meet required code and programmatic requirements, an additional option for a future Senior / Community Center could be considered.

Estimated Cost: The estimated cost for the Senior Center proposed by CAA was \$4.0 million in 2004. Without revisiting the study and updating its programmatic and needs analysis, it is hard to pin-point a specific estimated price. Using the standard of \$250 per sq. ft., a more accurate, updated cost estimate is \$4,500,000, not including soft costs. Again, more detailed professional review needs to be conducted to establish an updated projection.

Likely Funding Source: If funded by the Town, the only way a project of this size could be funded is through a debt exclusion of Proposition 2.5. The Senior / Community Center may be an excellent example of the type of public building that could be funded by private developers if they were attempting to attract visitors and customers to their commercial facilities. Discussions surrounding the development of the South Sandwich Village Center area have included some conceptual plans for a Senior / Community Center.

Project: Beach Erosion Prevention – This project focuses on addressing the erosion that has occurred at Town Neck Beach, Spring Hill Beach, and the entrance to Old

Harbor. The Town has worked for many years with Woods Hole Group (WHG) to attempt to receive permits for a beach management plan and for stabilizing the Old Harbor inlet which has significantly contributed to the erosion. In addition to the permitting efforts, the Town has worked for many years with the Army Corps of Engineers to accept responsibility for the negative impact of the east end jetties of the Cape Cod Canal. These man-made structures installed and expanded by the Army Corps has caused the Sandwich ecosystem in the referenced areas to be starved of the natural migration of sand, thereby greatly exacerbating the erosion and impact of regular storm events. In 2004 the Town filed a Draft Environmental Impact Report (Attachment 12) with the Commonwealth for the Old Harbor Inlet Stabilization project and Beach Management Plan. It was clear after repeated meetings and additional analysis that permits would not be received. Efforts were redoubled after a revised DEIR was submitted with much outreach undertaken through the state and federal legislative delegations. In March 2012, the Town signed a new Scope of Work with WHG to prepare an updated permitting effort on both the beach management and Old Harbor projects. A copy of this contract is found as Attachment 14.

Estimated Cost: Not enough new technical and engineering work has been completed to prepare an updated cost estimate. It is known that cost estimates from the 2004 DEIR are no longer valid and have increased substantially. More accurate cost estimates will be known as the permitting process proceeds over the next 18 months. The Town and WHG are also exploring any smaller, stop-gap projects that could assist before the larger erosion projects are funded.

Likely Funding Source: Ideally, partial or full funding would be received from the federal and state governments. This effort has proven to be very difficult for the Army Corps of Engineers to accept full or even partial responsibility for the negative impacts of the east end Cape Cod Canal jetties. Section 111 and Section 933 review requests were filed by the Town with the Army Corp in 2006 and 2007 respectively. Thus far, no report has been issued on either effort. The most important study for the Town to receive from the Army Corps is the Section 111 report. If approved, the federal government would accept full and permanent responsibility for erosion mitigation efforts. If denied, the Town would be required to provide between 50% and 100% of the funding which will clearly be in the range of several million dollars. The only way the Town could fund projects of this size would be through a debt exclusion of Proposition 2.5.

Project: **Water Resources Management** – This title encompasses many, many different on-going efforts, from the Comprehensive Water Resources Management Plan

(CWRMP) and Interim Wastewater Solutions Plan (IWS) being conducting by Wright-Pierce to the longstanding efforts of the Sandwich Water District to protect the Town's existing public water supply and find new sources for the future. The CWRMP study is a lengthy, formal review process required by the Department of Environmental Protection (DEP) which has been primarily funded by a \$400,000 grant from Textron settlement funds from contamination that occurred at the Massachusetts Military Reservation (MMR). The Town is approximately halfway through the completion of the CWRMP. The IWS report prepared by Wright-Pierce focused on interim wastewater solutions to allow for more immediate economic development, primarily in the SSSC and Sandwich Industrial Park (SIP) areas. This is found as Attachment 22.

Estimated Cost: The total cost for the various water resources management efforts cannot be identified at this point. It is fair to say that eventual wastewater solutions will likely cost the Town tens of millions of dollars or more. Most likely, interim solutions will be realized for much less than that, with possible funding coming from private developers and end-users. Again, it's far too early to assign accurate cost estimates to all these efforts. Even the IWS report called for an interim solution costing approximately \$25 million in capital costs alone depending on the volume of wastewater flows to any constructed wastewater facility or facilities. The Town has identified several Town parcels to assist in wastewater treatment and disposal which may cover some of the early municipal costs associated with interim and long term solutions. In terms of public water supply protection and future sources, the Sandwich Water District has done an outstanding job of anticipating these needs and funding public water efforts through the internal processes afforded them under M.G.L.

Likely Funding Source: Projects of this magnitude are very complex and can be funded through various means, the most straight-forward of which is a debt exclusion of Proposition 2.5. It is hoped, particularly in the interim, that private developers and end users will fund the bulk of costs associated with early solutions. It is also likely that maintenance and operations will be covered by user fees, which may also be able to recoup some of the initial capital cost of addressing wastewater needs. Several of these concepts are discussed in the IWS report prepared by Wright-Pierce, with a financing overview provided by Town Counsel.

Project: Public Roads / Infrastructure – This project relates to the condition of the Town's public roads and infrastructure. Infrastructure would include items like drainage, curbing, sidewalks, roadways / driveways leading to public buildings, and outdoor public

recreation courts and facilities. The Town has previously issued a road bond debt exclusion to repair and improve public roads and infrastructure in 1996 for \$3.2 million. Our public road network is, by far, the most valuable capital asset we possess. Regular upkeep is needed to keep these facilities at an acceptable standard and the Department of Public Works has not, and does not, possess sufficient funding in its operating budget and through Ch. 90 funding from the State to maintain these assets to the required level. Therefore, periodic debt exclusions or infusions of funds are required to maintain these roads and infrastructure properly. Directors of Public Works over the last 25 years have repeatedly shown through pavement management analyses how much funding is needed to maintain our roads through a combination of direct capital funds and a permanent increase in operating funds. The Town has not funded these requests with the exception of the one instance mentioned above.

Estimated Cost: For addressing just the public road needs to bring the streets to acceptable standard, a minimum of \$3.5 million is needed, as outlined in the January 2012 Road Infrastructure Report (Attachment 23). This does not include additional public infrastructure that needs repair such as the entrance roads to Oak Ridge School, Forestdale School, Sandwich Hollows Golf Club, and parking lots like Sandwich High School, Wing School, Human Services Buildings, and recreation courts like the tennis and basketball courts at all schools. To add these needed improvements another \$1.5 million would be needed at a minimum. Most important, the DPW has always stated that in order to maintain these roads and infrastructure once they are improved, an additional \$300,000 is needed annually in the DPW operating budget to supplement existing repair funds and Ch. 90 monies.

Likely Funding Source: The only way a project of this magnitude could be funded is either through an exclusion of Proposition 2.5, an override of Proposition 2.5, or a combination of the two. It is likely a debt exclusion or series of capital exclusions is needed to fund the initial capital improvements and an override is needed to maintain the public roads and infrastructure for the long term, thereby avoiding future debt exclusions.

Project: **School Consolidation (STEM)** – This project relates to the stated efforts of the Sandwich School Department to move the 7th and 8th graders from the 3 K-8th grade schools to Sandwich High School (SHS). Part of this effort relates to the so-called Science Technology Engineering Math, or STEM, focus being considered for these grades. Significant decreases in enrollment in the public school system have enabled this concept of moving the 7th and 8th grades to SHS to be considered. When SHS was

expanded and renovated in the late 1990s, it created the capacity to house 1,450 students. In the 2012-13 school year, it is likely 800 or fewer students will be at SHS. The capital component of this initiative has yet to be determined, but it is likely there will be costs associated with this relocation, primarily focusing on classroom retro-fitting and reconfiguration. Proper accommodations may also need to be found for the School Administration and Community School offices. SMMA has preliminarily addressed some of these projected relocation costs, but more detailed work is required. The School Department also has to ensure that prior reimbursement levels from the Massachusetts School Building Authority (MSBA) are not jeopardized by these efforts. Finally, it should be noted that no other relocation of students, potentially from the Wing School to the Oak Ridge and Forestdale Schools, can be realistically contemplated based on current and projected enrollments until such time as the 7th and 8th grades are relocated to SHS. SMMA's Master Plan report is found as Attachment 18.

Estimated Cost: Again, additional architectural review work from SMMA is needed to determine a more exact cost estimate. Preliminary estimates from the July 2012 master plan report provided to the School Department show a potential cost of \$14 - \$15 million. This amount could fluctuate substantially based on what decisions are made by the School Committee in terms of how classrooms are utilized and retro-fitted. It is possible that relatively low cost solutions could be implemented as the student consolidation is explored in more detail. It is too soon to provide a detailed cost estimate on this project until additional professional review work is undertaken and commensurate educational decisions made.

Likely Funding Source: A project of this size will likely require a debt exclusion of Proposition 2.5 to fund. Unlike other municipal capital projects exclusive of any branch library funding, the MSBA does provide direct savings for approved School projects, if the School Department decides to proceed this way. Typically, MSBA funding levels have been between 45% - 55% of the total project cost. Smaller, limited capital work could be partially funded by the annual capital budget or School operating budget, but this remains to be determined based on the extent of work contemplated and the actual educational program decisions made by the School Committee.

Project: Henry T. Wing School Re-Use – This project is speculative in the sense that many other issues need to be addressed with a corresponding decrease in enrollment levels for re-use to be contemplated. As stated in Section 2, RLB was hired to review the condition of virtually all Town and School buildings. When it came to addressing the

condition of the Wing School, RLB recommended more detailed forensic analysis of the structure and associated building systems before being able to assign a repair and improvement cost estimate. Funding was appropriated at Town Meeting to address this recommendation and SMMA was retained to review the property with several professional subcontractors and consultants. SMMA's findings related to the current condition of the Wing School were very grave for the building's future use as a public school. Virtually every building envelope and mechanical system was found to be failing and needing full replacement or repair. Accessibility deficiencies abound and would not be able to be properly addressed without substantial structural changes to the building. Two quotes from the SMMA report showing the severity of the problems are found in Section 2. These problems, combined with decreasing enrollments, have led to thoughts about potentially relocating all students at Wing to the Oak Ridge and Forestdale Schools. Additional decreases in enrollment need to occur for this to happen, but if current trends continue, this may be possible within the next decade. If there were no longer students at the Wing School, the buildings and grounds could potentially be re-used by the Town with appropriate levels of investment. SMMA's Master Plan is found as Attachment 16.

Estimated Cost: SMMA's report stated that the cost to properly repair the Wing School was between \$28 and \$34 million. This cost relates to repair the building and continuing to use it as a public school. If Wing School students were relocated to other Sandwich schools, it may be possible to not have to complete repairs to the level identified in the SMMA report since codes for public buildings are different than requirements for public schools. That said, to properly re-life and re-use this building, many significant repairs would be required. It's also important to note the SMMA report indicates that razing the existing structure and building a new structure may be cheaper than complete renovations. This would all need to be looked at much closer before any solid and accurate cost estimates can be made.

Likely Funding Source: In light of the huge improvement expense with re-using the Wing School, a debt exclusion of Proposition 2.5 would be required to fund this project(s).

Project: Library Facilities – As summarized in Section 2, this project relates to the construction of a new 42,400 sq. ft. branch library in the South Sandwich Village Center area. The current library, located on Main Street, is severely cramped for the volume of services it provides and clients it serves, so efforts to seek a branch library more centrally located in Sandwich started several decades ago. Ultimately, DRA architects

was hired to prepare a master plan for a branch library that could be submitted to the Massachusetts Public Library Construction Program overseen by the Massachusetts Board of Library Commissioners. If communities receive approval and funding through this program, historically about 50% of the project cost is funded by the State. As stated previously, the detailed DRA report and application submitted by the Board of Library Trustees is found as Attachment 15.

Estimated Cost: DRA estimates the construction cost for the recommended branch library to be \$15.25 million. Similar to other Town efforts, this estimate is based on conceptual and schematic plans, not formal construction plans and documents.

Likely Funding Source: Even if the Town received half or partial funding from the State grant program, the amount of money needed to complete the project would require a debt exclusion of Proposition 2.5.

Project: **Municipal Offices Consolidation** – This project could only be accomplished through the construction of new, centralized municipal office building or the re-using and re-living of a public school no longer used for educational purposes, such as the Wing School. No formal study has looked at this effort since the proposed consolidation of Town offices in the mid-1980s. At that time, it appeared that approximately 40,000 sq. ft. with expandable basement space was needed to house all non-public safety and DPW offices. Space and program assessments would need to be conducted to provide an accurate space estimate relevant to 2012 staffing. In short, the Town does not possess any accurate engineering and architectural reviews of a building like this since the 1980s. It should be noted that anecdotally, other architects who have worked for the Town on other projects have said that the historic 40,000 sq. ft. estimated would likely not be too far off from what they would recommend.

The formal report of the Municipal Building Needs Committee presented to Town Meeting back in 1986 stated:

“The conclusion of the Committee is that of amazement; that the present system with its individual parts bunched up in inadequate space in some departments, spread out, and out of direct contact with management in other instances, can work at all. The lack of space, the inability to have actual hourly, or even daily contact with management and/or other department heads cannot be looked upon in any other light than that of inefficiency and extreme high cost.”

Almost 30 years later, this description still holds true, except that Town departments are now spread out in even more buildings.

Some existing municipal buildings that house Town offices may need to be significantly addressed in terms of building renovations and improvements before any total office consolidation is able to occur or acted upon. Perhaps the best example of this is the Town Hall Annex which currently is home to 4 Town offices and 15 employees. This building has several code deficiencies and other shortcomings that prove it was not constructed for the level and volume of office activity that currently occurs in that building every day. The 2010 RLB report recommended a minimum of \$935,000 be spent just to begin to address the Annex's building and mechanical system needs. In short, it is likely the deficiencies of the Town Hall Annex will need to be addressed well before a more comprehensive solution for consolidating all municipal offices and buildings is achieved.

Estimated Cost: Insufficient professional review has been conducted at this point to provide an accurate cost estimate. As stated previously, SMMA in its review of the Wing School said \$28 - \$34 million in renovations was needed to properly address code and operational deficiencies to be used as a public school. It's possible some, but certainly not all, of these improvements could be avoided depending on the long term use, but that has yet to be determined. Depending on the method used consolidate municipal offices, it may be necessary to address more immediate problems sooner at individual buildings. A good example of this is the Town Hall Annex. Again, the RLB report said a minimum of \$935,000 in repairs at the Annex was needed just to make it functional and address code issues back in 2010.

Likely Funding Source: A project of this size – or even several smaller building-specific projects – would require funding through a debt exclusion of Proposition 2.5. If some smaller effort was contemplated (i.e., Annex), potentially any funds generated from the sale of Town property which is legally required to be placed in a so-called sinking fund that can only be spent on projects for which debt has already or could be issued, could fund some of these needs.

Project: **Marina Office Building** – This project relates to the construction of a new office building for the Sandwich Marina. Since the Town took over operations and oversight of the Marina in 1989, the office building housing 5 year-round employees is located above one of the docks over the water off Ed Moffit Drive. The Town has worked with the property owners, the Army Corps of Engineers (ACE), for more than 25

years to attempt to address the construction of new office facility using funds generated from Marina users, not the Town. Many failed efforts eventually led to the formal approval of the ACE to use federal Marina funds to pay for the construction of the building, based on design plans that the ACE would need to approve. Currently, the ACE is reviewing a request from the Town on where the building will be located with two locations being considered within the federally owned marina parcels. It is expected that the ACE will determine the approved location by the end of 2012, allowing the Town to proceed with design plans with an architectural firm. Beyond doubt, the existing marina office is the poorest Town or School facility that houses a Sandwich department and year-round staff.

Estimated Cost: No detailed professional review has occurred for the construction of this facility. Very rough schematic plans have been reviewed and prepared, but much more work needs to be accomplished before an accurate cost estimate can be made. It's likely, based on the building's proximity to water and the type of storm events it will encounter, the cost per sq. ft. for the building will be much higher than other municipal office space. For planning purposes only, a very rough estimate of \$2.0 million can be used.

Likely Funding Source: The construction of a new marina office building is acknowledged and authorized in the Town's lease of the East Boat Basin (Sandwich Marina) with the ACE. As such, the new office building will be designed and constructed using funds generated at the Marina, which are technically federal funds. It is anticipated that no municipal funds will be needed for this project. It should be noted that even though funding will not come from the Town, the total appropriation and borrowing authority still needs to be granted by Town Meeting for this project to proceed.

Project: **Recreation Field Development Plan (RFDP)** – This project relates to the planning effort spearheaded by the Recreation Department in 2007 as referenced in Section 2. The RFDP is found as Attachment 24 and was completed and presented to the Board of Selectmen in 2007. Most importantly, the Plan was developed with the cooperation and support of the dozen youth sports organizations in Sandwich and reflected their individual and collective needs, with many groups agreeing to share field space and facilities. The report provides very specific recommendations on the number and types of fields that are needed to properly address participation levels, prevent over-use of fields, etc. It has been recognized for decades that the fields located on School Department facilities are over-used and need to be rested more than they are currently. While funding has not been appropriated to address the recommendation of

the RFDP, significant progress has been made in that the allowed uses for the Sandwich Hollows Golf Club property were expanded in 2011 through a special act of the legislature (Attachment 25) to allow the land to be used for “active recreation” purposes. This means we now have an identified location that could be set aside by the Selectmen to house the fields and facilities contemplated by the RFDP. Furthermore, in 2011 the Town worked with Horsley Witten to prepare a recommended sketch plan for the SHGC property that included specified areas for public recreation fields and facilities. A copy of this use plan is found as Attachment 26. The Town has also recently received \$25,000 in CPA administrative funds to complete a more detailed feasibility study of constructing future recreation fields at SHGC.

While not specifically addressed as part of the RFDP, this Capital Plan should also contemplate the synthetic turf field inside the improved track at SHS. It has been the longstanding goal of non-profit group working on the sports complex at SHS to add a synthetic turf field inside the SHS track as paid by the Community Preservation Act (CPA) funds.

Estimated Cost: The estimated cost to construct the fields identified in the RFDP was \$4.5 million in 2007, which does not include the internal field at SHS. This figure would need to be updated to determine current costs and add in a cost of the proposed field inside the track at SHS.

Likely Funding Source: For a project of this size, a debt exclusion of Proposition 2.5 would be required. Two other realistic options for the fields identified in the RFDP and at SHS are to work with the relevant youth sports boards to find potential funding or requesting CPA funds now that the allowed use for these funds has been expanded to include public recreation activities. More research would need to be done on the last two options to determine how realistic they may be.

Project: Pedestrian / Bike Path Improvements – The Town has been working with staff from the Cape Cod Commission (CCC) for many years to develop a formal bike path in Sandwich that would connect the Cape Cod Canal recreation path to other public bike paths all the way to Provincetown. The official State bikeway (Claire Saltonstall Bike Path) actually goes down the entire length of Service Road into Barnstable but proper, safe riding areas are obviously not included in the current street layout. In addition to these bike path efforts, the Town has had a longstanding goal of expanding sidewalks throughout Sandwich. Much has been accomplished through Town-sponsored road improvements, but there is significantly more we’d like to do. An

example of these efforts is a Quaker Meetinghouse Road sidewalk from Route 6A to Route 130. The Town was just notified in the Summer of 2012 that it will be receiving State funding to complete this effort. We have also improved sidewalks with major Town Hall Square reconstruction efforts and other public projects. Similar efforts are desired in other parts of Sandwich as well.

Project Cost: This figure is very tenuous depending on the level of improvements decided upon. If only a bike path was considered to connect the Canal area through Merchant's Square to the rest of the Cape, this amount would be very different than if we added in all the desired sidewalk improvements in town. The CCC staff will be estimating the cost to construct a bike path in Sandwich, but not enough technical work has been completed to develop an accurate estimate. Costs to improve sidewalks where desired would be substantially more than this.

Likely Funding Source: Because of the regional coordination and involvement of the CCC and its participating partners, it's possible that grant funding may be able to be received for the bike path project, most likely through the federal and state governments. Sidewalk projects would be more expensive and would vary based on where the work was contemplated. It's too premature to identify specific funding sources, but the most direct way to fund any major capital project is through a debt exclusion of Proposition 2.5.

Section 5: Recommended Priorities

Each project has been rated by the CIPC based on the prioritization criteria outlined below. In developing these criteria, the CIPC wanted to construct an unbiased foundation on which to base the recommended priorities to the Selectmen for their consideration. The CIPC recognizes that the Board of Selectmen makes the ultimate decision on presenting projects for funding and voter approval and wants to establish a reasonable framework for providing input to the Board. In developing this input, the CIPC paid careful attention to the preliminary list of prioritized projects presented by the Selectmen to the committee. Each of the criteria listed below has three ranking levels: high, middle, and low. The ratings for all the criteria were then compiled with the projects receiving the highest number of total points ranked above those with the lowest. The list was then grouped as presented in the Executive Summary in Section 1, and is also presented at the end of this section.

Criteria for Establishing Priorities:

1. **Urgency of Need** – One factor used in determining priorities is the urgency of need for improvements or construction. Urgency used in this context relates to issues like: compliance with building codes and standards; the rate at which improvement costs will rise if work is not completed in the near future; public safety hazards; and the susceptibility of a project to major damage. Good examples of this criteria would be a building that employees work in that doesn't meet current codes or how quickly road surfaces deteriorate with rapidly increasing repair costs if issues aren't addressed before road surfaces reach a certain level of deterioration.

This criteria is ranked on a scale of High v. Medium v. Low, with High being the most urgent.

2. **Population Served** – This factor addresses the volume of residents and visitors / users served by a particular project. The more people served, the higher the ranking. For example, a wholesale improvement of public road conditions impacts the entire population while improvements at a specific school impact the students and staff in that school only.

This criteria is ranked on a scale of All v. Many v. Few based on how many residents/visitors/users are served by the project versus the entire Sandwich population.

3. Likely Availability of Funding – This factor measures the likelihood that funds will be available to complete the project. This factor is more subjective than the prior two factors and attempts to gauge the feasibility that funds will be approved to complete the work. Perhaps the best example of a project with a very strong likelihood of funds being available is a new Marina office building which does not require a debt exclusion or Town funds to complete, but can be constructed using funds generated by the users of the marina.

This criteria is ranked on a scale of High v. Medium v. Low, with High representing a strong likelihood that funds will be available for the specific project.

4. Anticipated Level of Public Support – This factor measures the projected level of public support to complete the project. Like the previous factor, this rating is somewhat more subjective in that the final decision, in many cases, is ultimately determined by the voters through a public ballot vote, not by our best attempts at determining how much support there is for a project. The best way to determine this support is to ask the voters, but this is not always possible except when the final vote is being taken to fund a project. A good example of previous projects that have received widespread public support are the construction and renovation projects surrounding Sandwich High School, Oak Ridge School, and Forestdale School.

This criteria is ranked on a scale of High v. Medium v. Low, with High representing a strong level of anticipated public support for a project.

5. Improved Delivery of Public Services – This factor measures how much the delivery of services to the public is improved by the proposed project. Obviously, any newer facility or enhanced infrastructure improves the level of service, but some projects have a much greater impact in terms of efficiency and effectiveness than others, particularly as they relate to internal municipal operations and the delivery of public services.

This criteria is ranked on a scale of High v. Medium v. Low with High representing a very significant degree of improvement of service delivery and efficiency.

Charts of Prioritized Projects:

In addition to the criteria-based ranking effort of the CIPC, the Selectmen also prepared a prioritized ranking following a slightly different ranking system which, when totaled, ranked projects from those with the highest scores as the top priorities to those with the lowest total scores. Listed below are two charts outlining the prioritized rankings of the projects identified in Section 4 based on the thoughts of the Board of Selectmen and CIPC. The first chart represents the Selectmen’s prioritized list of capital projects based on their input on what projects are most important, regardless of the ranking categories explained above. The second chart represents the ranking of the same projects based on the criteria detailed above as determined by the CIPC.

**BOARD OF SELECTMEN – PRIORITIZATION OF
LARGE SCALE CAPITAL NEEDS**

In a preliminary ranking exercise conducted by the Board of Selectmen, Town Manager, and Assistant Town Manager, a total of 50 points was assigned to the 12 projects with 10 being the maximum number of points that could be assigned to any one project. Every project had to have an assignment of at least 1 point. The ranked results, which were presented to the CIPC to provide guidance in developing the Long Range Capital Plan recommendations, were as follows:

<u>Rank</u>	<u>Project</u>	<u>Total Score</u>	<u>Ave. Score</u>
1.	Joint Public Safety Facilities	65	9.29
2.	Public Roads / Infrastructure	56	8.00
3.	Water Resources Management	39	5.57
4.	Beach Erosion Prevention	38	5.43
5.	Municipal Offices Consolidation	27	3.86
6.	Henry T. Wing School Re-Use	24	3.43
7.	School Consolidation (STEM)	24	3.43
8.	Senior / Community Center	23	3.29
9.	Recreation Field Development Plan	18	2.57
10.	Marina Office Building	16	2.29
11.	Library Facilities	12	1.71
12.	Pedestrian / Bike Path Improvements	8	1.14

When this list is compared to the list recommended by the CIPC in the Executive Summary of the Plan, you will see that all of the projects are listed in a very similar

prioritized ranking. The CIPC's recommended list – using the three grouping of projects outlined in the Executive Summary – is as follows:

CAPITAL IMPROVEMENT PLANNING COMMITTEE – SUMMARY OF PRIORITIZED LARGE-SCALE CAPITAL PROJECTS

Group A – Top Priorities:

1. Joint Public Safety Building
2. Public Roads / Infrastructure
3. Water Resources Management
4. Beach Erosion Prevention

Group B – Secondary Priorities:

(Subject to Completion of Feasibility Study of Henry T. Wing School Re-Use)

5. Municipal Offices Consolidation
6. Henry T. Wing School Re-Use
7. School Consolidation (STEM)
8. Senior / Community Center
9. Library Facilities

Group C – Lowest Priorities:

10. Recreation Field Development Plan
11. Marina Office Building
12. Pedestrian / Bike Path Improvements

The Board of Selectmen's prioritization and the CIPC's summary of prioritized projects are extremely similar, with the only real difference being the grouping of Library Facilities under the Secondary Priorities. Any potential re-use of the Henry T. Wing School can only be considered if the building is no longer used for School Department purposes based on a vote of the School Committee.

Section 6: Estimated Tax Impact

Before highlighting estimated tax impacts, it's important to reiterate the primary reasons why municipalities should issue debt, as spelled out in Section 1, Introduction and Executive Summary, of this Plan.

Reasons to Issue Debt:

- it is prudent for communities to realistically plan for and project future needs and how they might be funded;
- Sandwich's debt payments outside of Proposition 2.5 have declined by \$2.7 million since their recent peak in FY'07;
- it is a longstanding goal of every Long Range Plan adopted by the Board of Selectmen – including the first one issued in FY'05 – to issue new debt as retiring debt is paid off;
- the Town is very close to its build out population so any building needs we address will be sufficient for our projected maximum population;
- the issuance of debt is a healthy sign that a community recognizes its long term infrastructure needs and takes the appropriate, responsible steps to fund these efforts for the benefit of future generations – towns that regularly agree to address growing infrastructure needs are rated higher in terms of their credit ratings and are deemed healthier than towns that don't.;
- Sandwich's bond rating has never been higher and interest rates have never been lower;
- the longer the Town waits to issue debt to address infrastructure needs, the more expensive the projects will become – it's clear that what \$1.0 million in debt bought in FY'00 is much greater than what \$1.0 million in debt will buy in FY'20.

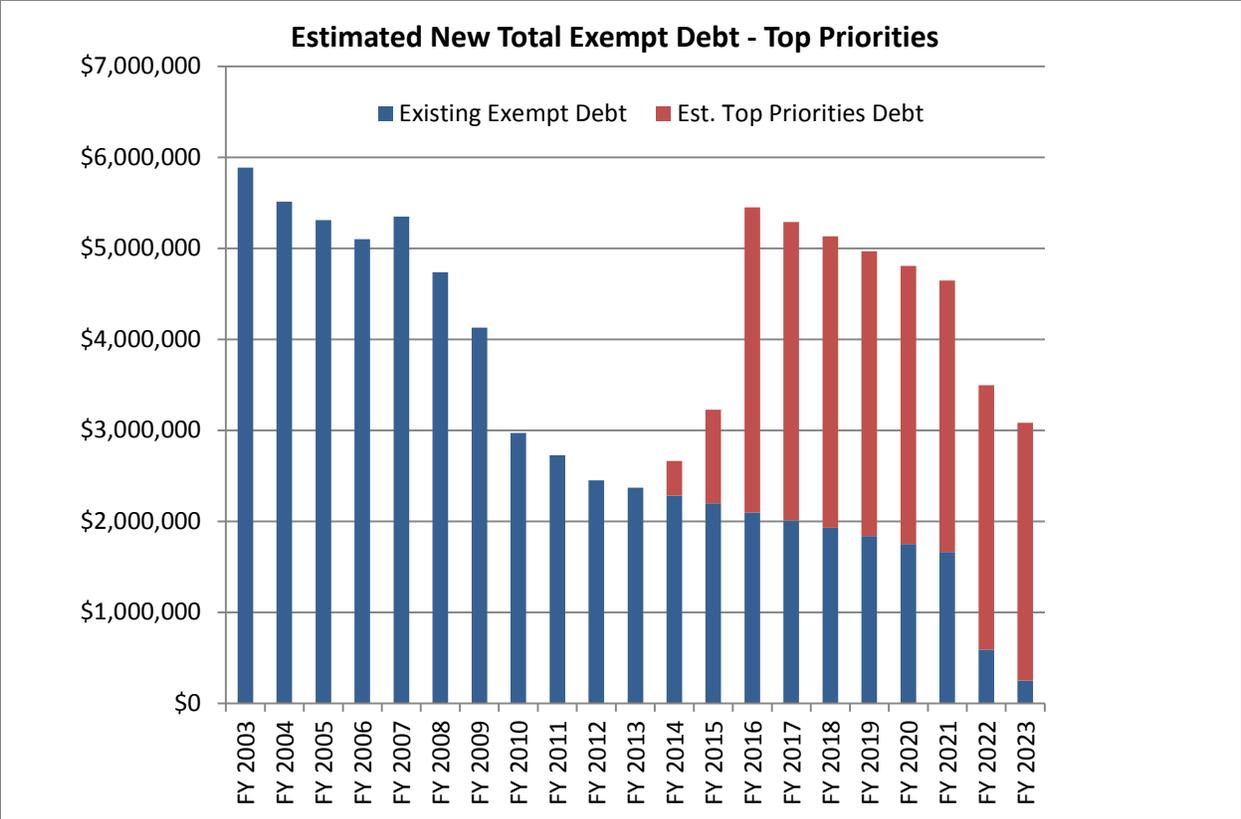
Despite any logical understanding that all municipalities need to regularly issue capital debt to keep facilities viable, it is unrealistic to believe that all 12 long range capital projects identified in the Plan will be funded over the next 10 years. It is also unrealistic to provide accurate bond estimates for projects that would not commence for at least a decade. Therefore, we have focused on providing realistic estimates of the tax impact of the top 2 prioritized projects – the Joint Public Safety Facilities and the

Public Roads / Infrastructure improvements – and the Oak Ridge and Forestdale School roofs and windows projects which have already been authorized but not yet bonded. Bonding for the other 10 projects listed in the Plan can be readily provided once accurate costs and realistic timing is known.

In developing the estimated tax impact of the prioritized and already authorized projects, total estimated costs were assigned for each project, along with a realistic estimate of when the bonding would occur for each project, and a projection of the average interest rate for the bonds depending on the length and amount of the bonds. As stated in Section 4, cost estimates are based on today's dollars, not what the cost is projected to be in the future. Typically, an annual inflation factor of 3-4% is accurate for municipal projects based on long term public project analysis. As expected, when forecasting bond rates many years from now, a higher rate than currently experienced is typically used. In determining the rates for this analysis, we have relied on our Town Treasurer and Bond Advisor's input and expertise.

For the purposes of this Plan, a 10-year window was used to project the tax impact for the prioritized projects earmarked for funding over the next decade. Any projections beyond the 10-years are extremely speculative in terms of estimated project costs, borrowing amounts, borrowing rates, etc. and should not be considered accurate. Listed below is a chart depicting the Town's estimated exempt debt if the top 2 priority projects – Joint Public Safety Facilities and Public Roads / Infrastructure – are approved, along with the already authorized bonds for the Oak Ridge and Forestdale School roofs and windows. In addition to the following chart, detailed bonding information and annual estimated impacts on the average tax payer for each of the three projects is found in Attachment 27.

As explained in greater detail in Attachment 27, the following chart shows the Oak Ridge & Forestdale Schools Roofs and Windows projects being bonded in FY'14, the Public Roads & Infrastructure project being bonded in FY'15, and the Joint Public Safety Building project being bonded in FY'16. Existing debt is shown in blue and the estimated new debt for the three specified projects is shown in red.



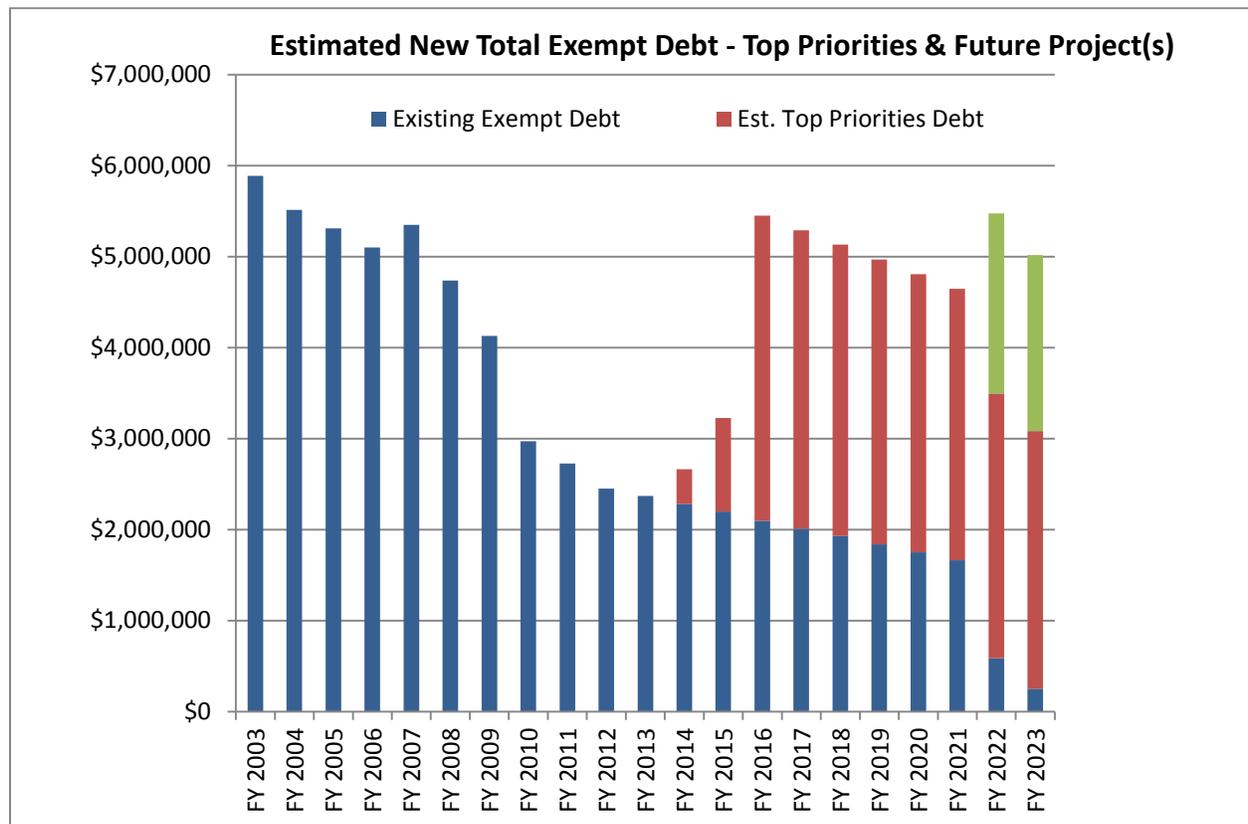
Again, Town staff can readily provide additional bonding and tax impact estimates of other projects once more accurate costs and realistic timeframes are known. This chart clearly shows that significant long range capital projects can be funded on a periodic basis within the volume of debt funded by the Town less than 10 years ago. It also shows that once new projects are funded and annual bond costs diminish, projects beyond the 3 identified above can be approved without exceeding the threshold recommended by the CIPC.

As explained in the Introduction and Executive Summary, it is prudent and financially healthy for municipalities to responsibly plan for future large scale capital needs and how they might be funded. The majority of Sandwich’s municipal buildings were built several decades ago when the Town’s population was many times less than it is today and they are inadequate to meet current building codes and staffing levels. Because Sandwich is so close to its projected build out population, future improvements and new structures should sufficiently provide services for the foreseeable future – all the more reason why debt should be issued to address these needs as previously approved debt is paid off.

The need to issue new debt as old debt is paid off has been recognized for many years by the Selectmen in the numerous Long Range Plans they have approved, and

by the CIPC and Finance Committee. In light of this fact, we wanted to highlight what could be funded in the future as the top identified priorities – Joint Public Safety Building and Public Roads / Infrastructure projects – begin to be paid off, recognizing that one of the CIPC’s recommendations is to issue new debt so it at least equals the levels funded in FY’07. Clearly, \$1.0 million in debt issued in FY’07 does not equal \$1.0 million in debt issued in FY’13 due to much higher construction and personnel costs, but we feel the FY’07 debt amount is a realistic one to emulate.

Listed below is a chart that shows what could be funded as the top, new priorities begin to be paid off. This graph shows (in green) that \$22.5 million in debt for a new project – or projects – could be funded with roughly the same amount of total debt the Town had in FY’07. We did not want to specify this future project – or projects – since it would be too difficult to speculate what the primary need(s) and cost would be a decade from now. The details of this information are found in Attachment 27.



Funding long range capital projects is prudent to address long-standing capital needs and deficiencies, shows that residents of Sandwich are financially responsible and willing to issue debt when deemed appropriate, and exemplifies a commitment to future generations. As difficult as it is to ask voters to support desperately needed capital improvements, what will the costs for the same projects be in another 20 years?

What would have happened if voters did not approve more than \$67 million in school improvements since the late 1980s? It is clear based on all of the work presented in this Plan, and the dozens of prior efforts highlighted in Section 2, that if the Town wants to address its long range capital needs, now is the time for action.

Section 7: List of Attachments Found Electronically

1. Chart & Details of Town's Declining Exempt Debt
2. Town of Sandwich Debt Schedule
3. Town Population and School Enrollment Figures
4. Infrastructure Investment Fund Effort
5. 1995 Municipal Building Needs Effort
6. 1997 Municipal Building Needs Effort
7. 1999 Municipal Building Needs Effort
8. 1996 Local Comprehensive Plan
9. Corsano Engineering "Building Inspections for Capital Planning Committee"
10. 2007 Town & School Capital Needs Effort
11. CIPC Prioritized Listing of Large Scale Capital Needs in Annual Capital Budget
12. 2006 Old Harbor Inlet Stabilization Project & Beach Management Plan Draft Environmental Impact Report (DEIR)
13. 2009 Local Comprehensive Plan
14. Rider Levett Bucknall Capital Project Cost Planning Report
15. Woods Hole Group 2012 Scope of Work & Summary of Beach Erosion Efforts
16. Kaestle Boos Associates New Sandwich Public Safety Building Report
17. Drummey Rosanne Anderson South Sandwich Village Library Project Report
18. Symmes Maini & McKee Associates Sandwich Public Schools System-Wide Master Plan Study

19. Department of Revenue's "Proposed 2.5 Ballot Questions – Requirements and Procedures"
20. Department of Revenue's "Levy Limits: A Primer of Proposition 2.5"
21. Catlin & Associates Architecture Senior Center Feasibility Study
22. Wright-Pierce Interim Wastewater Solutions Report
23. 2012 Road Infrastructure Report
24. 2007 Recreation Field Development Plan
25. Sandwich Hollows Golf Club Special Act – Chapter 8 of the Acts of 2011
26. Horsley Witten Sandwich Hollows Golf Club Recreation Use Plan
27. Chart & Details of Estimated New Exempt Debt